

INSURANCE REGULATORY TRUST FUND

PERFORMANCE REPORT FOR AUGUST 2001

10/9/2001

| | Assets as of August 31, 2001 | | | * RATES OF TOTAL RETURN | | | | | | | |
|-----------------------------------|---------------------------------|-----------------|-----------------|------------------------------|--------|---------------|---------|---------|---------|--------------|-------------------------|
| | EMV \$(000) | Actual Alloc | Policy Alloc | Month Ended (preliminary) | | Quarter Ended | | | | 2002 FYTD | Year Ended 6/30/2001 |
| | | | | Aug-01 | Jul-01 | Jun-01 | Mar-01 | Dec-00 | Sep-00 | | |
| LARGE CAP EQUITY | | | | | | | | | | | |
| Value | | | | | | | | | | | |
| LSV | 37 | 1.7% | 1.5% | -3.28% | 1.19% | 8.10% | -0.57% | 7.52% | 11.45% | -2.13% | 28.80% |
| RUSSELL 1000 VALUE | | | | -4.01% | -0.21% | 4.88% | -5.86% | 3.60% | 7.86% | -4.21% | 10.33% |
| Growth | | | | | | | | | | | |
| Alliance Capital | 37 | 1.7% | 1.5% | -8.65% | -3.26% | 10.03% | -20.15% | -17.25% | -4.04% | -11.63% | -30.23% |
| RUSSELL 1000 GROWTH | | | | -8.18% | -2.50% | 8.42% | -20.90% | -21.35% | -5.38% | -10.48% | -36.18% |
| Core | | | | | | | | | | | |
| State Street | 145 | 6.6% | 7.0% | -6.26% | -0.98% | 5.81% | -11.93% | -7.82% | -1.05% | -7.18% | -15.00% |
| S&P 500 | | | | -6.26% | -0.98% | 5.85% | -11.86% | -7.82% | -0.97% | -7.18% | -14.83% |
| TOTAL LARGE CAP DOM. EQUITY | 219 | 9.9% | 10.0% | -6.18% | -1.04% | 6.91% | -11.64% | -6.50% | 2.03% | -7.16% | -9.87% |
| S&P 500 | | | | -6.26% | -0.98% | 5.85% | -11.86% | -7.82% | -0.97% | -7.18% | -14.83% |
| SMALL CAP EQUITY | | | | | | | | | | | |
| SEI Investments | 118 | 5.4% | 5.0% | -4.01% | -3.30% | N/A | N/A | N/A | N/A | -7.18% | N/A |
| RUSSELL 2000 + 200 bp | | | | -3.06% | -5.24% | N/A | N/A | N/A | N/A | -8.15% | N/A |
| TOTAL SMALL CAP DOM. EQUITY | 118 | 5.4% | 5.0% | -4.01% | -3.30% | 14.24% | -9.39% | -10.36% | 3.24% | -7.18% | -4.21% |
| RUSSELL 2000 | | | | -3.23% | -5.41% | 14.29% | -6.51% | -6.91% | 1.11% | -8.47% | 0.57% |
| CONVERTIBLES | | | | | | | | | | | |
| Trust Company of the West | 214 | 9.7% | 10.0% | -4.62% | -2.96% | 4.74% | -10.11% | -13.01% | 3.09% | -7.44% | -15.57% |
| F.B. CONVERTIBLE SECURITIES INDEX | | | | -2.56% | -1.97% | 4.12% | -6.24% | -12.31% | 2.95% | -4.48% | -11.87% |
| INTERNATIONAL EQUITY - Core | | | | | | | | | | | |
| Capital Guardian | 206 | 9.4% | 10.0% | -3.96% | -3.30% | 0.94% | -8.89% | -7.10% | -11.54% | -7.13% | -24.42% |
| MSCI 50% HEDGED EAFE INDEX (1) | | | | -4.23% | -2.74% | 0.15% | -10.44% | -3.47% | -8.07% | -6.85% | -20.41% |
| FIXED INCOME | | | | | | | | | | | |
| Core - Index | | | | | | | | | | | |
| Bank of North Dakota | 324 | 14.7% | 13.5% | 1.37% | 2.46% | 0.31% | 3.29% | 4.24% | 2.79% | 3.86% | 11.02% |
| LB GOVT/CORP | | | | 1.28% | 2.49% | 0.30% | 3.20% | 4.37% | 2.87% | 3.80% | 11.13% |
| Core Bond | | | | | | | | | | | |
| Western Asset | 427 | 19.4% | 16.5% | 1.27% | 2.46% | 1.18% | 3.42% | 4.29% | 3.20% | 3.76% | 12.62% |
| LB AGGREGATE | | | | 1.15% | 2.24% | 0.56% | 3.03% | 4.21% | 3.01% | 3.42% | 11.22% |
| TOTAL FIXED INCOME | 751 | 34.1% | 30.0% | 1.31% | 2.46% | 0.80% | 3.36% | 4.27% | 3.02% | 3.81% | 11.92% |
| LB GOVT/CORP | | | | 1.28% | 2.49% | 0.30% | 3.20% | 4.37% | 2.87% | 3.80% | 11.13% |
| CASH EQUIVALENTS | | | | | | | | | | | |
| BND - Money Market Account | 694 | 31.5% | 35.0% | 0.31% | 0.32% | 1.00% | 1.40% | 1.62% | 1.71% | 0.63% | 5.85% |
| 90 DAY T-BILLS | | | | 0.33% | 0.33% | 1.12% | 1.51% | 1.63% | 1.51% | 0.66% | 5.90% |
| TOTAL FUND | 2,203 | 100.0% | 100.0% | -1.12% | -0.02% | 3.06% | -1.42% | -1.34% | 1.03% | -1.14% | 1.27% |
| POLICY TARGET BENCHMARK | | | | -0.97% | 0.02% | 2.21% | -1.69% | -0.82% | 0.84% | -0.94% | 0.49% |
| TOTAL VALUE ADDED DUE TO | | | | | | | | | | | |
| Asset Mix | | | | 0.05% | 0.01% | -0.94% | -0.01% | 0.04% | 0.14% | 0.06% | -0.78% |
| Active Management | | | | -0.21% | -0.05% | 1.79% | 0.29% | -0.56% | 0.06% | -0.26% | 1.57% |
| Total Value Added | | | | -0.15% | -0.04% | 0.85% | 0.28% | -0.52% | 0.20% | -0.20% | 0.80% |

(1) Prior to October 1, 2000, the benchmark for this asset class was the MSCI Unhedged EAFE Index.

* NOTE: Monthly returns and market values are preliminary and subject to change.
Returns are net of management fees.